

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:534
ANSWERED ON:03.12.2004
LOAN BY BANKS
Jogi Shri Ajit

Will the Minister of FINANCE be pleased to state:

- (a) the details of term loan provided by various public sector banks during current financial year, bank-wise,
- (b) whether taking loans from banks is very difficult whereas it is regularly announced that the procedure of loan has been simplified;
- (c) if so, the details thereof; and
- (d) the steps being taken to streamline this system so that better services can be provided to the common man by the banks?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a): The information is being collected and will be laid on the Table of House.
- (b): No, Sir.
- (c): Does not arise.
- (d): The Reserve Bank has advised banks to prepare well-defined Loan Policy and Loan Recovery Policy approved by their Board of Directors. The Loan Policy should lay down exposure limits to individual / group of borrowers, documentation standards, Sectoral exposure limits, delegation of powers including for write off and review procedures maturity and pricing policies, factors to be taken into consideration for deciding interest rates above the floor rate etc.